

~~CONFIDENTIAL~~

1 August 1961

MEMORANDUM FOR: Deputy Director (Support)

SUBJECT : Audit of Payroll Procedures

REFERENCES : (a) Report of Audit, Payroll Branch,  
Fiscal Division, For the Period  
1 July 1959 to 31 March 1961(b) Audit of Unvouchered Funds Payrolls  
1 January 1960 through 28 February 1961

1. Payroll procedures probably rank among the most prosaic, least exciting and little noticed responsibilities discharged by Agency employees - until someone or some group fails to receive pay on time or is paid an erroneous amount. Then these procedures and the effectiveness of their application become matters for the attention of our most senior officials. Management controls tend to be governed by the "squeaky wheel" philosophy which is, perhaps, as it must be. I know, however, that you are also anxious to know of and recognize particularly good performance.

2. Reference reports, which summarize the findings of our audits of the Fiscal and Finance Division payroll activities, each indicate that our payroll processes are well administered and accurately executed. Our reports contain no recommendations for change. The employees of each unit are to be commended.

3. Since I was intimately familiar with the trials, tribulations and complications of the unvouchered payroll operation for so long, I cannot resist singling out that unit for an especially effective job. Many persons have, of course, contributed to the effort to place this activity

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on a sound basis. Nonetheless, it is the reaction of the Audit Staff that primary credit belongs to Mr. [REDACTED] present Chief, Compensation and Tax Branch. Mr. [REDACTED] has demonstrated particular ability to organize and control a complex, voluminous operation which has frustrated several of his contemporaries.

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[REDACTED]  
Chief, Audit Staff

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